

MICHIGAN DEPARTMENT OF TREASURY
Office of Revenue and Tax Analysis

Revenue Sharing Advisory
2000 Census Population
March 4, 2002

2000 Census

The 2000 Census was conducted on April 1, 2000, and the actual Michigan population counts were released by the U.S. Census Bureau on April 1, 2001. The total FY 2001 revenue sharing payments are based on the actual 2000 Census population. Note: The October 2000 through April 2001 payments were based on 1990 population; however, the June and August 2001 payments will be adjusted so that the total for State Fiscal Year 2001 (October 2000 to August 2001) is based on the actual 2000 Census population.

Questions and Answers

The population amount used to calculate my revenue sharing payment does not agree with the population amount we received from the U.S. Bureau of Census. Why isn't the Census figure being used?

The Revenue Sharing Act requires that 50 percent of the institutional population (mostly prisoners) is deducted from the official Census population.

How can an annexation impact revenue sharing payments?

Periodically we receive notification from the Secretary of State that property was annexed from one local unit of government to another. The annexation could affect the amount of revenue sharing your local unit receives, if residential housing existed in the annexed area as of the 2000 census. A joint resolution, which includes the population amount that is being transferred between the local units of government, must be filed with the Department of Treasury, Office of Revenue and Tax Analysis, in order to affect your revenue sharing payments. If you need further information, call Treasury's Office of Revenue and Tax Analysis at 517-373-2697.

If my local unit's population has increased, why did I get a negative Census adjustment payment in June 2001?

This could happen because your local population grew more slowly than other areas. For the constitutional payment, a local unit must have a projected population growth which equals at least 6.84 percent (state population growth) to continue to receive a

proportionate share for the June and August constitutional payments and the June Census adjustment. Local units which have higher actual population increases will receive higher payments. Conversely, local units which experience lower than (6.84 percent) population growth will receive lower payments.

How is the June 2001 constitutional Census adjustment calculated?

The June and August payments are calculated so that the FY 2001 total is consistent with the 2000 Census population. The total amount of constitutional funds disbursed for the October, December, February, and April payments is totaled. This total is divided by the total state revenue sharing population to arrive at a distribution rate. The rate is multiplied by the 2000 population of the city, village, or township to compute what should have been paid. This amount is then compared to the actual October, December, February, and April constitutional payments. If the calculation is higher than the actual payments, then a positive adjustment is included with the June 2001 payment. If the calculation is lower than the actual payments, then a negative adjustment is included in the June payment. A similar calculation will be made for the August 2001 payments (taxable value, weighted population and yield equalization) to ensure each local unit receives the correct amount.

How is the June 2001 county adjustment calculated?

The same as the above constitutional payment calculation, except the total amount of the county payments for October, December, February, and April are totaled and used in the comparative calculation.

How many counties received negative Census adjustments to their June 2001 revenue sharing payment?

Twenty-six counties received a negative Census adjustment. Fifty-seven counties received a positive adjustment to their June 2001 revenue sharing payment.

How many counties that actually received a population increase received a negative census adjustment to their June 2001 revenue sharing payment?

Seventeen counties had a population increase that was less than 6.84 percent (state population growth), so they had a negative Census adjustment to their June 2001 revenue sharing payments.